



GUIDELINE FOR VIOLATION REPORTING (WHISTLEBLOWING) SYSTEM

PT Sarana Multi Infrastruktur (Persero)



APPROVAL OF THE BOARD OF DIRECTORS

No. : M-16/SMI/DU/DAI/0414
Subject : Approval for Guideline of Violation Reporting System.
Dated : April 25, 2014


APPROVED BY THE DIRECTOR OF FINANCE, RISK MANAGEMENT & WORK SUPPORT	
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	(signed) <u>Nasrizal Nazir</u> Director
APPROVED BY THE DIRECTOR OF PROJECT DEVELOPMENT & ADVISORY And THE DIRECTOR OF FINANCE AND INVESTMENT	
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	(signed) <u>Frans Nembo Sukardi</u> Director
APPROVED BY THE PRESIDENT DIRECTOR	
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	(signed) <u>Emma Sri Martini</u> President Director




APPROVAL OF THE BOARD OF COMMISSIONERS

No. : M-16/SMI/DU/DAI/0414
Subject : Approval for Guideline of Violation Reporting System.
Dated : April 25, 2014

APPROVED BY COMMISSIONER	
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	(signed) <u>Isa Rachmatarwata</u> Commissioner
APPROVED BY COMMISSIONER	
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	(signed) <u>Wahyu Utomo</u> Commissioner
APPROVED BY COMMISSIONER	
<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Disagree	(signed) <u>Langgeng Subur</u> Commissioner

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	TABLE OF CONTENTS	

Chapter I: Introduction.....	1
1. Background	1
2. Objectives, Purposes and Benefits	1
3. Scope	2
4. Legal Grounds	3
Chapter II: Whistleblowing Principles.....	4
1. Definitions	4
2. Whistleblowing Principles	5
3. Disclosure of Informer’s Identity	7
Chapter III: Whistleblowing Organization	8
1. Communication Media	8
2. Commitment.....	8
3. WBS Implementation	8
4. Report/Complaint Handling Mechanism	9
5. Follow-up Process to Complaints.....	12
6. Investigation	13
7. Flowchart.....	15
Chapter IV: Socialization, Evaluation and Enforcement of Rules	23
1. Socialization and Evaluation	23
2. Reward and Sanction.....	23
3. Rehabilitation	23
Appendix I: Reporting Form	24

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	INTRODUCTION	CHAPTER - I

1. Background

PT Sarana Multi Infrastruktur (Persero) ("PT SMI") is an Indonesian Company operating by upholding the values of good governance of company. One of the methods to ensure the achievement of the purposes of such good governance principles is the implementation of Violation Reporting System (VRS) or *Whistleblowing System* (WBS) - further to be called as "WBS".

The obligation to apply the WBS is the performance of some regulations among others the Law No. 28 of 1999 regarding The Administration of State That Is Free and Clear of Corruption, Collusion and Nepotism, The Law No. 15 of 2002 *connected with* the Law No. 25 of 2005 regarding Money Laundering Crime and the Law No. 7 of 2006 regarding Ratification of United Nations Convention Against Corruption, and the Regulation of the Financial Service Authority (OJK) No. 1/POJK.07/2013 regarding Financial Service Sector Consumer Protection and Decree of the Capital Market and Financial Institutions Supervisory Board No. Kep-431/BL/2012 dated August 1, 2012 regarding Whistleblowing System at the Issuer or Public Company.


The WBS is expected to become one of the early detection methods of the violations. It is also expected to promote the more transparent and accountable culture of organization, encouraging the organization's performance, and protecting the stakeholders. Consequently, the Main Duties and Functions of the organization may be performed in a good, effective and efficient manner, both in short and long terms, which in turn will boost the Company's reputation domestically and internationally.

2. Objectives, Purposes and Benefits

The preparation of Guideline WBS is expected to become a technical guidance for the attitude of the Company's people with respect to the violation and/or irregularity of code of ethics, law, standard operational procedures and management policies and any other issues that may be harmful to and/or may jeopardize the organization.

For the organization itself, this WBS Guideline is aimed to:

- 1) Encourage every Company's people and the other stakeholders to inform/report the authorized internal management of the Company any violation and/or irregularity of code of ethics, law, standard operational procedures, management policies and any other issues that may be harmful to and/or may jeopardize the organization, either to the environment, office building, working condition, organizational reputation, etc.. Based on such Report the Company will as soon as possible take appropriate actions to settle the issues causing the violation and/or irregularity.
- 2) Minimize possible risks that may be detrimental to the Company when the set internal mechanism cannot be performed or applied to prevent violation/irregularity and/or misuse by the Company's people.

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	INTRODUCTION	CHAPTER - I


- 3) Provide understanding or education to the Company's people and the other stakeholders that the Company pays high attention to compliance with the code of ethics.
- 4) Improve confidence of every Company's people and the other stakeholders on protection against the opponent, reprisals or unfair and injustice treatment to the Informer when s/he discloses any violation based on good faith and adequate evidences.
- 5) Support the materialization of openness, accountability, and integrity culture.
- 6) Improve the effectiveness of good corporate governance, internal control, and employee's and organization's performance.

In general, good and effective implementation of WBS may provide various benefits, among others:

- 1) Providing a vehicle for all party to early report important and critical information on any violation in the Company so that it may be immediately and effectively handled.
- 2) Suppressing the intention to commit violation in a line with the improvement of awareness and willingness to report any violation thanks to the confidence in the effective implementation of WBS.
- 3) Encouraging early warning system to the potential problems caused by a violation.
- 4) Providing a chance to early handle violation issue internally, before the violation issue spiraling to the public.
- 5) Mitigating the risks the organization may encounter due to the violation from the aspects of finance, operation, law, occupational safety, and reputation.
- 6) Minimizing financial losses to the Company caused by any violation.
- 7) Improving the Company's reputation from the stakeholders', regulator's, and public's point of view.
- 8) Providing feedback to the Company to see more comprehensively and thoroughly to the critical and crucial areas, and work processes that possess internal control weaknesses for consideration in designing the required corrective actions.


3. Scope

The Scope of this WBS Guideline includes Whistleblowing Principles, Organizational Reporting, Socialization, Evaluation and Enforcement of Rules applicable in the Company.

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	INTRODUCTION	CHAPTER - I

4. Legal Grounds


- 1) The Law No. 31 of 1999 as amended by the Law No. 20 of 2001 regarding Corruption Eradication;
- 2) The Law No. 13 of 2006 regarding Witness and Informer Protection;
- 3) The Law No. 11 of 2008 regarding Electronic Information and Transactions;
- 4) The Decree of the Chairman of Capital Market and Financial Institution Supervisory Board No. Kep-431/BL/2012 regarding Submission of Annual Report of Issuer and Public Company;
- 5) The Regulation of the Financial Service Authority No. 1/POJK.07/2013 regarding Financial Service Sector Consumer Protection;
- 6) The Circular Letter No. 2/SEOJK.07/2014 regarding Service and Settlement of Consumer Complaint for Financial Service Sector;
- 7) The Company's Articles of Association;
- 8) The Good Corporate Governance Guideline;
- 9) Guideline for Code of Ethics and Conduct;
- 10) Audit Committee Charter; and
- 11) Internal Audit Charter

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING PRINCIPLES	CHAPTER - II

1. Definitions

In this WBS Guideline the definition of:

- 1) **Violation** is an action transgressing any law and regulations, standard operational procedures, policies, code of ethics etc. Activities classified as violation include, but not limited to:
 - a. Breaking the law and regulations, for example committing any criminal act, corruption, embezzlement, *mark up*, drugs abuse, vandalism, etc.;
 - b. Breaking the code of ethics guideline, for example conflict of interest, harassment, involvement in prohibited public activities;
 - c. Violating the principles of applicable Financial Accounting Standards;
 - d. Violating operational policies and procedures, or policies, procedures and other regulations relevant to the Company;
 - e. Misuse authorities or position for personal, family's and/or group's interests;
 - f. Committing irregularity, such as documents falsification, misappropriation of resources (assets, fund, office equipments etc.), unauthorized use of or misuse of fixed assets, machines and office equipment or office administration records/books;
 - g. Other fraudulent acts that may cause financial or non-financial losses;
 - h. Any action that may put the occupational safety in danger;
 - i. Gratification of, as may be provided for in the laws and regulations; and
 - j. Any conflict of interest that allegedly may cause detrimental impacts to the Company.
- 2) **Reporting violation** (*whistle-blowing*) is a disclosure of violation or disclosure of illegal act, unethical/immoral acts or any other acts that may be detrimental to the Company and the stakeholders by any of Company's people to the management of the Company or any other institutions that may take actions against the violation. This kind of disclosure is usually made in secret (*confidential*).
- 3) **The Informer** (*whistleblower*) is the person from inside the organization itself (internal party) who reports any violation, but including also the external Informer (contractor, supplier, or public). The Informer may have not seen or heard the violation him/herself, but the Informer must have and provide evidences, information, clear indications of the reported violation, so that it may be traced or followed-up. The absence of adequate evidences, information or indications may render the report difficult to be investigated.
- 4) **Witness** is a person who saw and heard or suffered from the violation committed by the Offender and is willing to testify before the Investigation

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING PRINCIPLES	CHAPTER - II

Team. An Informer may have been a witness, but not all Informers are witnesses.

- 5) **Investigation** is the activities of finding evidences related to the violation committed by the Company's people or organization reported through the WBS.
- 6) **The Company's people** are members the Board of Commissioners and Supporting Body of the Board of Commissioners, members of the Board of Directors, members of Committee, Permanent and Non-Permanent Employees and *Outsourced employee*.
- 7) **Administrative immunity** is the protection provided by the Company to the Informer (*whistleblower*) against administrative status such as employment status, administrative sanctions etc. due to his/her involvement in the reported violation.
- 8) **Offender** is one of the Company's people and *Stakeholders* of the Company.
- 9) **WBS Administrator** is the party assigned and authorized by the Company to administer the WBS starting from receiving report, preliminary verification, status updating, up to the Reporting, including establishing communication with the related internal parties of the Company.

2. Whistleblowing Principles

In general the principles of WBS are secrecy (confidentiality), impartiality, independent, and non-repudiation (protection against retaliation).

1) Secrecy/Confidentiality


The identity of the Informer must be kept in secret by the WBS Administrator. To protect the identity of the Informer, WBS Administrator will disguise the identity of the Informer to avoid any subjectivity, suspicion, and bias. The obligation to keep in secret the identity of the Informer does not apply if the legal proceeding provides for that the identity is required in reporting the violation.

2) Impartiality

Any report of violation and/or irregularity to the WBS Administrator must have the nature of impartiality toward any ethnicity, race, religion and group and must not be a defamatory and/or false report.

3) Independent

The WBS Administrator must be independent with respect to the received report. In the case of the received report relates to the WBS Administrator, the relevant administrator must resign from the assignment to handle the report in writing to the management or authorized official of the Company in order to prevent any conflict of interest.

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING PRINCIPLES	CHAPTER - II

4) Non-repudiation

All Company's people, including the WBS Administrator, must apply the principle of non-repudiation being providing protection, including administrative immunity, to the Informer from potential retaliation, pressure or threat in physical, psychological, administrative forms or legal charge. The Informer shall be entitled to protection against retaliation (non-repudiation) against harmful treatment among others such as:

- a. demotion;
- b. suspension of promotion;
- c. suspension of regular salary and or allowance raises;
- d. unfair transfer;
- e. unfair dismissal;
- f. direct and indirect imposition of sanction;
- g. any form of harassment or discrimination;
- h. intimidation, coercion or victimization; and
- i. detrimental record to the personal or personnel archive/file of the Informer.


The Informer of violation will be protected when the Violation Reporting satisfies the following conditions:

- a. made in good faith based on moral and ethical urge without expecting any material reward and or popularity; and
- b. The reported alleged violation has actually occurred and credible and supported by adequate evidences, information or indications;

The conditions for the protection to the Informer must be met within the scope of encouraging the Informer to without hesitation report the violation that has come into his/her knowledge. To avoid any false report, defamation, fabrication the Informer may have his/her non-repudiation right revoked and be imposed with sanctions by decisive authorized official following the thorough verification and investigation processes.

In the case of the Informer considers that it is necessary to have protection other than the protection provided by the Company, the Informer may ask for the assistance of the Witness and Victim Protection Agency or *Lembaga Perlindungan Saksi dan Korban* (LPSK) as may be provided for in Article 13 of the Law No. 13 of 2006 regarding Witness and Victim Protection.


The Protection will also apply to the WBS Administrator under pressure from specific party to disclose the secret identity of the Informer.

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING PRINCIPLES	CHAPTER - II

3. Informer's Identity Disclosure

Disclosure of the Informer's Identity to the other or external parties must satisfy the following conditions:

- 1) The WBS Administrator must not disclose the identity of the Informer without consent, either oral or written from the Informer unless in the following cases:
 - a. required by the laws and regulations or for the interest of the justice;
 - b. the report contains malpractice issues, authorities abuse or violation; and
 - c. the reported incident is expected to bring negative impacts to the public interest or the public.
- 2) if the Informer's identity needs to be disclosed or not disguised as may be required in the investigation process or within the scope of taking appropriate actions, the WBS Administrator or investigator must ask for a prior consent of the Informer.
- 3) In the case of the Informer's identity must be disclosed, the Informer's Identity may only be disclosed to the party requiring the Informer's identity. The WBS Administrator must secure prior consent of the Board of Directors or authorized official before disclosing the Informer's identity.

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

1. Communication Media

To promote effective implementation of WBS, it is necessary to provide a facility or Communication Media easily accessible by the Informer. The Media may be used by the Informer to communicate the reported violation to the WBS Administrator. The Communication Media the Informer may use may take the following forms:

- physical or face-to-face communication;
- in writing by means of a letter;
- telephone or facsimile;
- e-mail;
- website specifically provided for the WBS;
- post office box; and/or
- any other forms.

The staff of the WBS Administrator must administer the received report from the Informers and to keep the Informer's identity in secret. All reports received from such various complaint media, must be recorded and given a status in the database of WBS application, and the status must be updated in a line with the stages of report settlement.


The staff of the WBS Administrator must encourage the Informer to disclose and report anything related to the violation, authorities abuse and or fraud in writing within the scope of documenting the receipt of the Violation Reporting.

2. Commitment

Implementation of WBS needs commitment from the Board of Commissioners including its organs, the Board of Directors, and all people of the Company as well as their active participation in reporting the violation, authorities abuse and malpractices known to and/or found by them. The statement of commitment in writing may be drafted separately or included as a part of the statement of compliance with the Company's code of ethics and good corporate governance implementation. Original copy of the statement of commitment must be kept or archived by the authorized work unit while carbon copy or copy of the statement of commitment is kept by the WBS Administrator.

3. WBS Implementation

In the implementation of WBS, the Company must appoint the employees responsible for the WBS administration. The staff of the WBS Administrator must have integrity, be independent and objective or impartial, credible, able to communicate and make interview, and must have adequate competency, including adequate training. In addition, the WBS Administrator must be

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

supported with adequate number and funding, including provisions of adequate facilities and infrastructure.

The staffs of the WBS Administrator are appointed from Internal Audit Division (IAD), as an organ of the President Director to receive and record all incoming complaint from various channels of complaint, both those received directly and from other sources. One of the IAD staffs will be appointed as the staff of the WBS Administrator authorized to play the roles of WBS administrator. In specific circumstance, the Company may appoint the other external or internal persons to play the roles as the WBS administrator subject always to strict supervision of the Head of IAD.

The staff of the WBS Administrator may also play roles to make preliminary verification against the completeness of the complaint before further process.

The Investigation Team is the work team established to make further investigation with respect to the complaint with strong indications of having adequate evidences.

The followings shall apply to the Investigation Team:

- The Investigation Team at the Board of Directors level is the IAD and may include necessary staffs or officials of the other work unit. The Investigation Team will be appointed by an assignment letter by the President Director.
- The Investigation Team at the Board of Commissioners level may be appointed from independent external party to make further investigation. The Investigation Team will be appointed by a decision of President Commissioner.
- The Investigation Team at the shareholder level, the President Director may appoint independent external party to make further investigation or make a notification to the GMoS or shareholders related to indication of involvement of the Board of Commissioners.


4. Report/Complaint Handling Mechanism

The implementation of WBS that is aimed to improve transparency and accountability of the Company requires proactive supports, involvement and contribution from all Company's people to add more value to the Company. In general, Violation may be reported by using the following procedures:

1) Reporting

The violation reporting is basically made by means of formal channel i.e. through direct superior or Code of Ethics Official. If the Informer considers that the complaint channel is not effective or should there be any doubts, the Informer may report the violation through WBS.

The mechanism of channeling the report/disclosure over any violation by the Informer through WBS is as follows:

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

- a. The Informer is recommended to provide information on his/her identity, that contains at least name, address, Telephone/mobile phone no., *email* and photocopy of identity card, which will be kept in secret by the WBS Administrator.
- b. Violation Reporting must be completed with supporting documents evidencing the occurrence of the reported incident such as document or documents related to the transactions being involved and/or violation being reported.
- c. If the violation is reported by an external party as a stakeholder, in addition to the documents specified in point b above, provide also other documents describing the relationship of the Informer and the institution or legal entity being represented by him/her.
- d. Anonymous written violation reporting in writing is acceptable, but must be completed with photocopy / copies of documents related to effected transactions and/or violation being reported.

2) Report supporting data


The Informer must provide complete, relevant and valid evidences, information and preliminary indication that may be accounted for as preliminary evidences adequate to proceed with further stage, including:

- a. The reported violation, including amount of losses (when so calculable) or any other detrimental impacts, one (1) report may only cover one (1) violation or Offender in order to make the handling more concentrated;
- b. The involved party (Offender), being the person that should be responsible for the violation, including witnesses and parties taking advantages of or injured by the violation;
- c. Location of the violation, including name, place, work unit or function of the violation;
- d. Time of violation, being violation period either days, weeks, months, years or specific date when the violation occurred;
- e. How the violation was committed and whether there are any evidences supporting the violation;
- f. Whether the violation had been reported to the other party; and
- g. Whether the violation had ever occurred before.

3) Submission of the Report by the Informer

A violation must be reported with good faith and not due to personal interest or retaliation act. In addition, the reporting must also prioritize the benefit for the collective interest of all Company's people and the stakeholders.

The Informer may prepare the report/disclosure and submit it through the following facilities/ media:

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

Telephone: (021) 5785 1499 *ext.* 121 (Ka. IAD)

Facsimile: (021) 5785 4299

Website: <http://WBS.ptsmi.co.id>

Email : WBS@ptsmi.co.id

While for the submission by means of enclosed envelope, please mark the code "WBS" to the upper right section of the envelope, addressed to:

PT Sarana Multi Infrastruktur (Persero)

Wisma GKBI lantai 8

Jalan. Jenderal Sudirman No. 28

Jakarta Pusat 10210


and for attention of:

- The President Director or The Head of IAD (in the case of Offender other than the Board of Directors or Audit Committee),
or
- The President Commissioner (in the case of Offender is the Board of Directors or Audit Committee).

4) Report/Complaint Handling

The incoming report will be handled by the staffs of the WBS Administrator by:

- receiving and recording all incoming complaint from various channels of complaint, administering the received report;
- registering, analyzing the report, analyzing the completeness of the supporting evidences, examination and/or investigation as a follow-up of the violation report analyze, and providing protection to the Informer;
- based on the analysis result, preparing Minutes of Verification Process or *Berita Acara Hasil Verifikasi* (BAHV) and
- reporting to the person-in-charge of follow-up as may be provided for in point 5 below;
- monitoring follow-up of report handling;
- updating complaint status in the system database;
- evaluating the effectiveness of Implementation of the Company's WBS; and
- Reporting the WBS administration regularly at least once a month, that contains among others total number of report/complaint, categories of report, channel used by the Informer, and settlement status and their reports to the President Director and President Commissioner.

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

5) Person-in-charge of the follow-up


Follow-up of the report will be made by the:

- a. President Director, if the Offender is a Company's people other than the Board of Directors or Audit Committee.
- b. The Board of Commissioners, if the Offender is the Board of Directors or Audit Committee.

5. Follow-up Process of the Complaints

The received report /complaint will be followed up with the following processes:


- 1) The President Director or President Commissioner (through Audit Committee) receives BAHV from the staff of the WBS Administrator.
 - If the President Director receives the report/complaint, the President Director may assign the further process to the Head of IAD.
 - If the President Commissioner receives the report/complaint, the President Commissioner may assign the Audit Committee for further process unless the violation relates to the Audit Committee.
- 2) Reporting that submitted anonymously will also be processed, but by taking into account the seriousness of the report, credibility, and submitted evidences, as well as possible confirmation of the report/complaint.
- 3) The President Director or the Head of IAD (in the case of the Offender other than the Board of Directors or the Audit Committee) or the President Commissioner (in the case of the Offender is the Board of Directors and the Audit Committee) or through the Audit Committee (in the case of the Offender relates to the Financial affairs and not other than the Board of Directors) will in fourteen (14) business days review or validate the BAHV received from the staff of the WBS Administrator and prepare the summary.
- 4) Based on the result, the President Director or the President Commissioner will decide the follow-up of the investigation:
 - a. Dismissed, if fails to satisfy the requirements;
 - b. The President Director assigns IAD to establish an Investigation Team should the report/complaint relate to an employee the Company;
 - c. The Board of Commissioners may cooperate with external investigator to make advanced investigation should the report/complaint relate to the Board of Directors;
 - d. The President Director may appoint an independent external investigator to make further investigation or make a notification to the GMoS or Shareholders related to indication of involvement of the Board of Commissioners; and/or
 - e. Cooperate with the other related function or investigated by the Investigation Team in a line with the substance of the report/complaint.

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

- 5) Investigation Result Report must be completed within not later than ninety (90) business days from the decision to make investigation is accepted from / by the Investigation Team and further will be presented by the Investigation Team to the President Director, the President Commissioner and/or Shareholders. If necessary, the completion period of the report internal and external investigation result may be extended by the President Director, the President Commissioner, or Shareholders.
- 6) Based on the report results specified in point 5, the President Director, the President Commissioner, or Shareholders will decide:
 - a. The reported violation case is closed, if not proved;
 - b. To impose sanctions pursuant to the applicable regulations, if proved and administrative in nature;
 - c. Refer the crime to the Law Enforcers or *Aparat Penegak Hukum* (APH) for further legal proceeding, if proved and related to criminal act or corruption. The Legal Division is responsible to ensure that preliminary evidences are sufficient and to recommend the same to the President Director for approval; and/or
 - d. The decision specified in points b and c must be made in a meeting of the Board of Directors and/or the Board of Commissioners.
- 7) The President Commissioner will prepare a report if any member of the Board of Directors has been proved of committing violation and submit the same to the Shareholders for evaluation of the Board of Directors' performance.
- 8) The President Director will report the handling of the followed-up and non-followed-up reports to the Board of Commissioners at least once in three (3) months while the summary of the report may be published to the WBS website of the Company.

6. Investigation

- 1) Basic Principles of the investigation:
 - a. Investigation process against a report must be conducted by always observing the principles of presumption of innocence and objectiveness;
 - b. The investigation process must be free from bias and not depending on who has made the report or who is the Offender;
 - c. The Offender must be given a full chance to provide explanation over found evidences, including defense if necessary; and
 - d. If employing the external Investigation Team in which the Offender is the Board of Directors, member of the Board of Commissioners or report which is material in nature and influencing the image of the Company, the Company must be able to select and provide auditor/investigator with high integrity, competences and independence to maintain the objectiveness of investigation result so that the

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III


confidence to the implementation of WBS may always be maintained. Other than circumstances above, the investigation may be made by an internal Investigation Team.

2) The Investigation Team

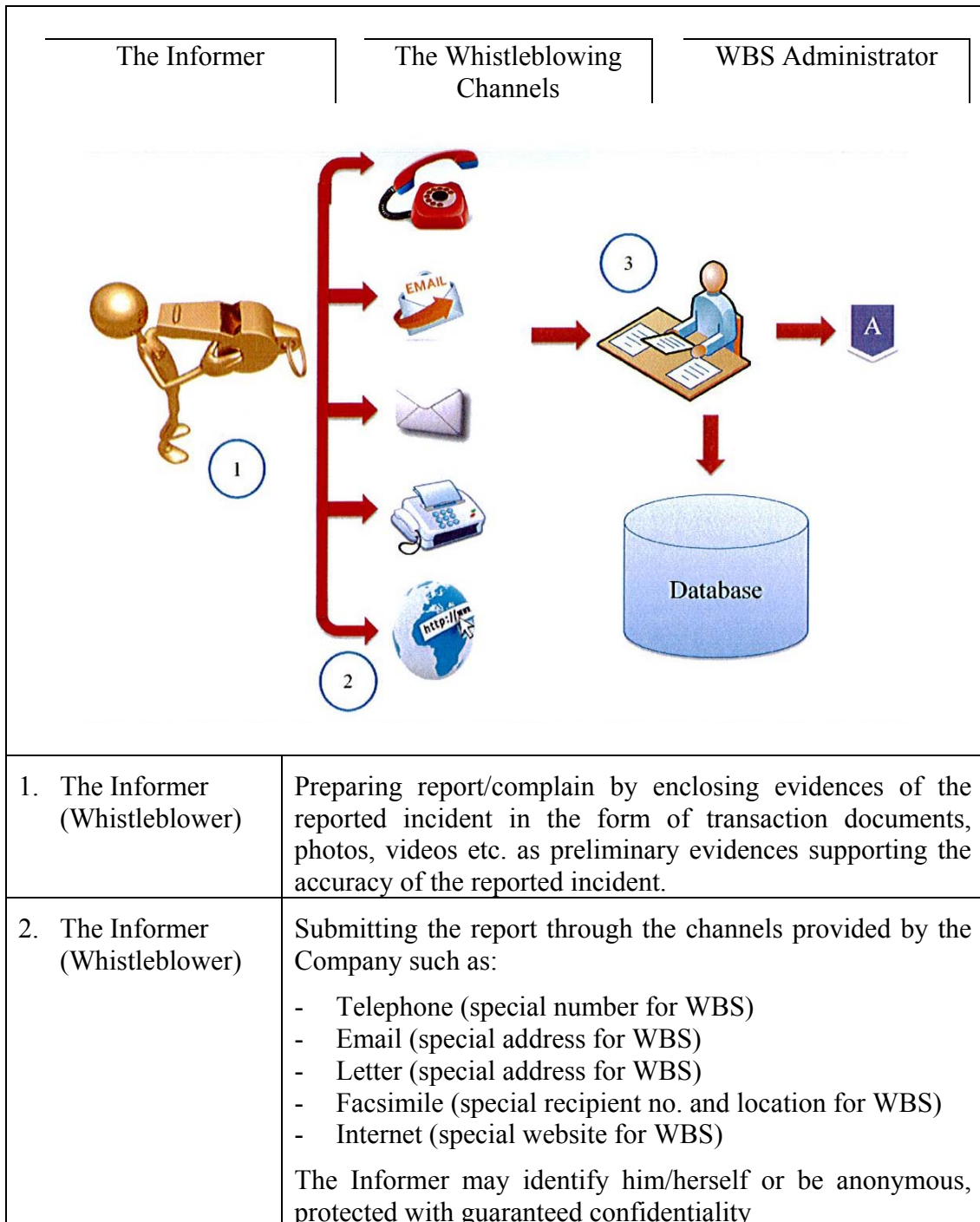
- a. the investigation may be conducted by an internal Investigation Team and external Investigation Team. The internal Investigation Team has members from IAD and may engage the other work unit if necessary.
- b. The Investigation Team must be independent, free from pressure of any party whatsoever to maintain the investigation process be made based on the principles of justice and based on objective assessment of the findings


3) Investigation Result Report

- a. Minutes of Investigation Result must be made to all investigation process with respect to the complaint/disclosure and that must take the form of a report and signed by the parties involved in the investigation process.
- b. The investigation process must be well documented, hence when review is required, the review may be conducted easily against the achieved results and also the significant decision passed during the processes.
- c. The Investigation Result Report must be accompanied with some supporting evidences being physical and non-physical evidences. The investigation report must not take a form of opinion or proposal but final conclusion on the investigation result that may be used as the basis for taking any action.


	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

7. Flowchart

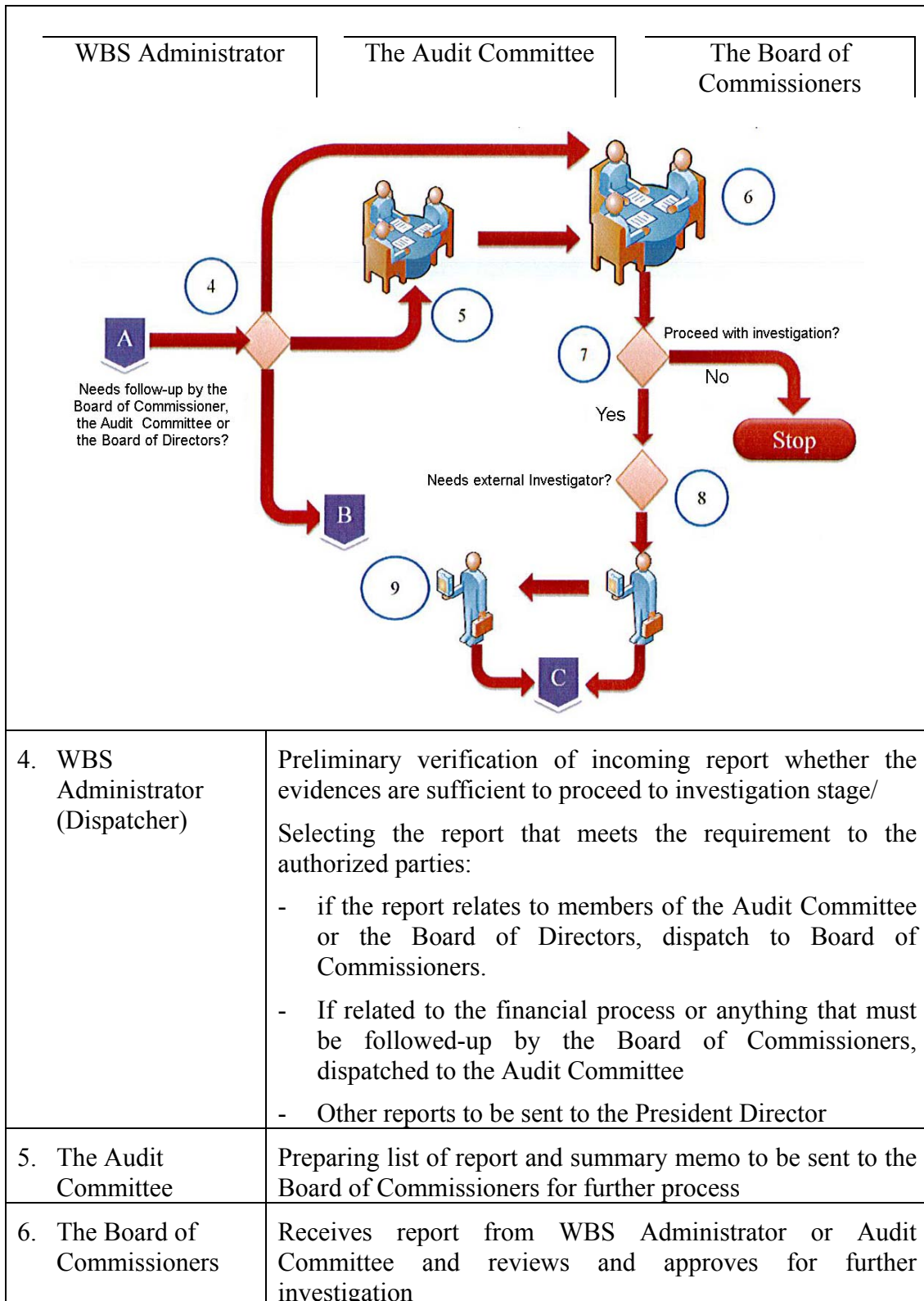



	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

3. WBS Administrator (Dispatcher)	<p>All report/complaint will be recorded by the staff of WBS Administrator specifically assigned for such purpose, and entered into the database through the WBS application</p> <p>Based on the criteria set out in the WBS Guideline, the incoming report/complaint will be processed.</p>
---	--


	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

2) Review of the Report (The Board of Commissioners)

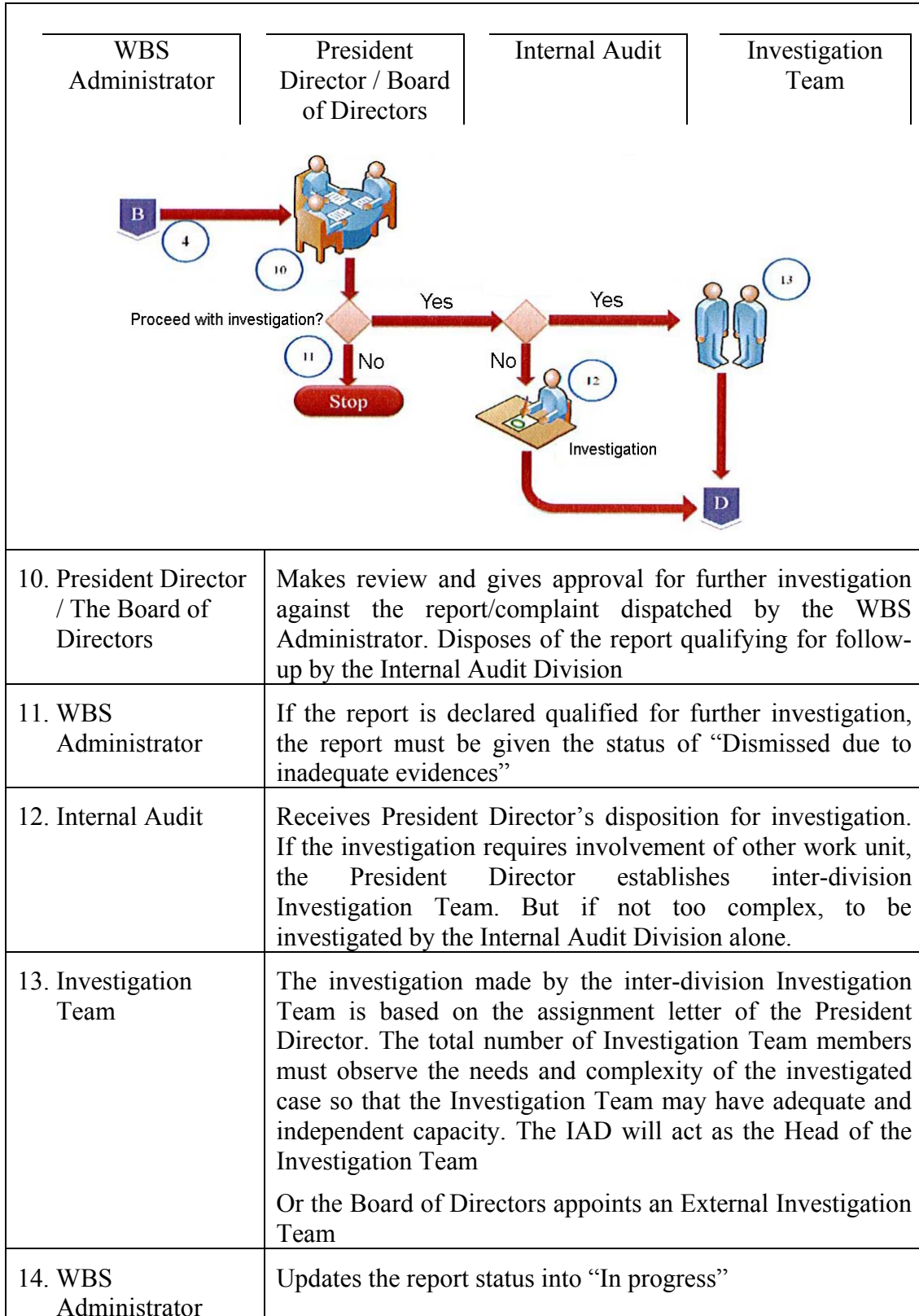



	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

7. The Board of Commissioners	In verification process, the Board of Commissioners will: <ul style="list-style-type: none"> - If the report is declared not qualified the requirements for investigation, give the report the status of “Dismissed due to inadequate evidences” - If the report qualifies the requirements for investigation, approve further investigation.
8. The Board of Commissioners	Establishes an investigation team (external investigation team if necessary) and may be delegated to the Audit Committee if not related to the Audit Committee
9. The Audit Committee	Receives delegation from the Board of Commissioners to monitor the investigation process.

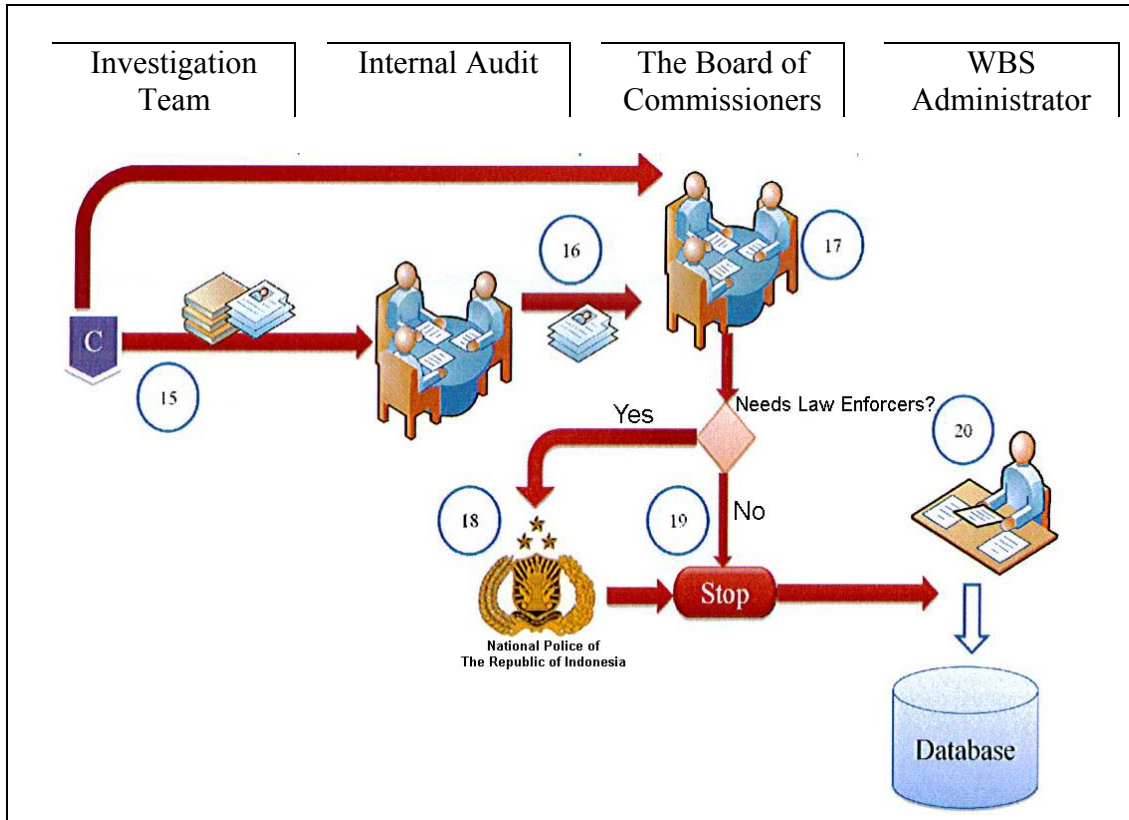
	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

3) Review of Report (The Board of Directors)




	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III


4) Reporting the Investigation Result (The Board of Commissioners)



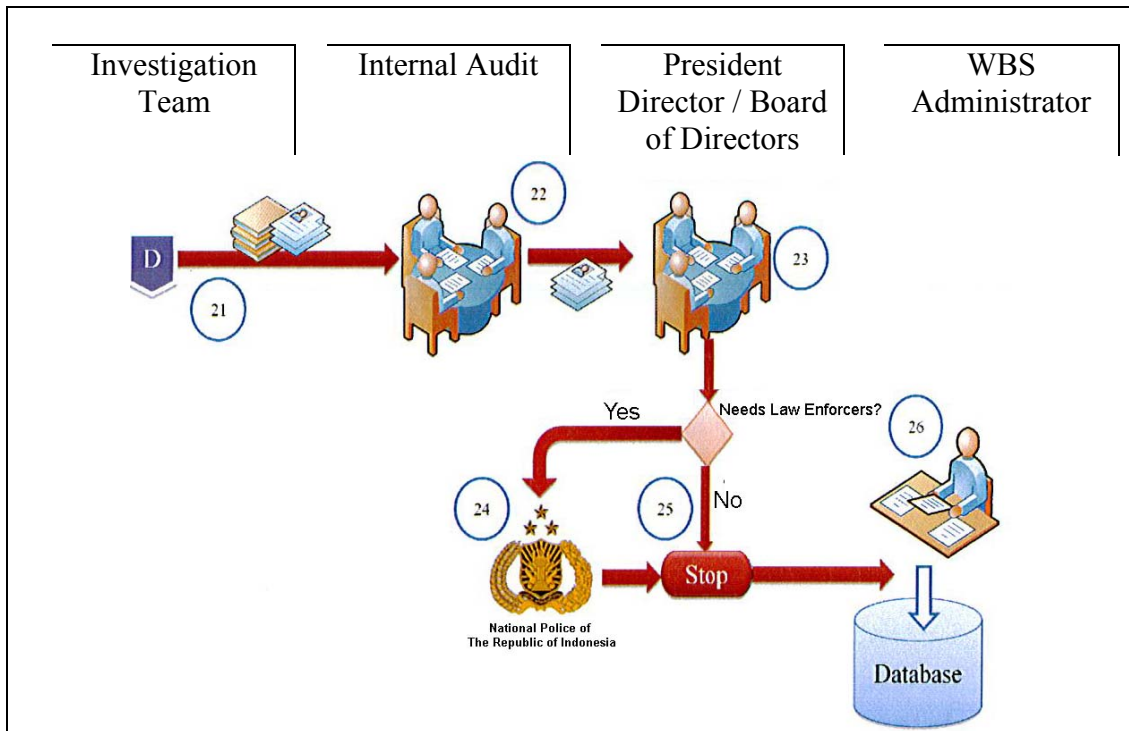
15. Investigation Team	The external Investigation Team formed by the Board of Commissioners works under supervision of the Audit Committee and may cooperate with: <ul style="list-style-type: none"> - Independent external consultant and - Appointed member of Board of Commissioners/Audit Committee, if necessary
16. The Audit Committee	Receives report on investigation progress and discussed in the Audit Committee meeting. Further, receives final report of investigation and forward to the Board of Commissioners
17. The Board of Commissioners	Receives report on investigation progress: <ul style="list-style-type: none"> ● Directly from the External Investigation Team (in cases related to the Audit Committee) or ● from the Audit Committee (in cases not related to the Audit Committee) for a review and gives approval to the investigation report as well as recommendation of further action

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III


18. Law Enforcers	If the investigation result recommends to coordinate with the Law Enforcers, the recommendation will be communicated to the Law Enforcers for further process
19. The Audit Committee	Declaring that the follow-up status of the report has been completed
20. WBS Administrator	Updates the report status in WBS database

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	WHISTLEBLOWING ORGANIZATION	CHAPTER - III

5) Reporting the Investigation Result (The Board of Directors)



21. Investigation Team	The internal Investigation Team formed by the President Director is membered by the IAD or IAD and the officials/employee of other division, works under supervision of the Head of Audit Committee and submit investigation report regularly to the President Director and/or Board of Directors with a copy to the Board of Commissioners
22. The Internal Audit	Receives report on investigation progress and final report to be forwarded to the President Director and/or Board of Directors with a copy to the Board of Commissioners
23. The President Director and/or Board of Directors	Reviews and gives approval to the investigation report and recommendation on further actions to be taken
24. Law Enforcers	If the investigation result recommends to coordinate with the Law Enforcers, the recommendation will be communicated to the Law Enforcers for further process
24. The President Director and/or Board of Directors	Declaring that the follow-up status of the report has been completed
25. WBS Administrator	Updates the report status in WBS database

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	CLOSING	CHAPTER - IV

1. Socialization and Evaluation

This WBS Guideline must be socialized continuously to all Company's people and evaluated continuously, and on regular basis must be updated and improved in a line with the regulation applicable and business growth of the Company.

Continuous socialization is aimed to gain perception and understanding and to improve the openness spirit to the Company's people to report irregularity and to appropriately use the **WBS**.

The WBS may be socialized in the same time to the socialization of GCG, new policies of the Company, socialization of the law related to corruption, publication in intranet of the Company and the other Communication Media.

2. Reward and Sanction

Reward may be given to the Informer if the reported case turns to be true and the Company gets positive impacts from such report. The kind and amount of the reward will be regulated by the Board of Directors policies being integral part of this WBS Guideline.

In a line with the rules and regulations applicable in the Company, sanctions may be imposed against the Offender and the Informer. The sanction against the Offender may be imposed by the Board of Directors, when s/he has been proved of committing violation. Meanwhile, the Board of Directors may also impose sanctions against the Informer, when s/he has been proved of making false or defamatory report.

3. Rehabilitation

The Company is obliged to reinstate the good name or rehabilitate the Offender who has not been proved of committing violation.

This WBS Guideline must be communicated, socialized, implemented, performed and observed by all Company's people, the WBS Administrator, and the other related work units related to the report / complaint received by the Company.

Issued in Jakarta,
on 25 April 2014


PT SARANA MULTI INFRASTRUKTUR (PERSERO)

(signed)

Emma Sri Martini
President Director


(signed)

Langgeng Subur
President Commissioner

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	APPENDIX	CHAPTER - VI

Appendix I: Reporting Form

<p>WHISTLEBLOWER REPORTING FORM</p> <p>Please report by providing as complete as possible information (the marked * must be completed)</p> <p>GENERAL PARTICULARS</p> <p>1. Type of Report*: <input type="checkbox"/> Ethical Violation <input type="checkbox"/> Complaint on Service <input type="checkbox"/> Financial-related</p> <p>2. Title of Report*:</p> <p>3. Where did the incident occur?*</p> <p>4. How long has it been occurred From : _____ To : _____</p> <p>5. How did this happen? (Please specify the process/steps)*</p> <p>6. Does this incident cause financial losses to PT. SMI> If yes, how much is the estimated financial loss? If no, what impacts will PT. SMI suffer from?</p> <p>7. Are you willing disclose your identity in this report? <input type="checkbox"/> Yes, Name _____, Telephone _____, Email: _____ Address _____ _____</p> <p style="text-align: center;">We shall assure the secrecy of your identity whether or not you are willing to disclose your identity.</p> <p>8. Are you willing to testify as a witness in this report if necessary? <input type="checkbox"/> Yes <input type="checkbox"/> No, by reason of: _____</p>
--

	GUIDELINE FOR WHISTLE BLOWING SYSTEM	Issuance date: APR 25, 2014
	APPENDIX	CHAPTER - VI

<p>WITNESS AND EVIDENCES</p> <p>9. Is there any eyewitness? (If yes, please specify name/title)</p> <p>10. Do you have supporting documents or evidences? <input type="checkbox"/> Yes (upload file) <input type="checkbox"/> No</p> <p>11. Have you reported the incident to any other party?*</p> <p>12. Have you spoken with the person? If you have, what recommendation did s/he give you?</p> <p>Name of Offender</p> <p>13. Name:*</p> <p>Work Unit or Division:</p>
<p>We appreciate your participation in enforcing the ethics and good corporate governance in PT. SMI, therefore all submitted report must be based on good faith and honesty, completed with complete, relevant and valid evidences for us to follow up.</p>